

STATE OF NORTH CAROLINA  
COUNTY OF DURHAM

SECOND AMENDMENT to the Hillandale Golf Course Management Agreement  
Between the City of Durham and AMERAZIL GOLF, LLC.

This Second Amendment ("Second Amendment") is dated and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2015, between the City of Durham ("Owner") and AMERAZIL GOLF, LLC, ("Manager"). The Durham Foundation – Hillandale Golf Course Fund and Manager entered into a contract titled, "Hillandale Golf Course Management Agreement", effective October 24, 2011, which contract was amended and assigned to Owner on November 2, 2011. That contract, as amended, is referred to as the "Original Agreement". The Agreement is now further amended as follows:

1. The Owner and Manager have mutually agreed to extend the term of the Agreement. In Article 2.01, entitled, "Initial Term", the section is deleted and replaced with the following:

"The Initial Term began on October 24, 2011 and was to run until October 24, 2016. The parties have agreed to extend the Term as follows: This Agreement, unless sooner terminated pursuant to the provisions of Section 2.02 below or by the Owner as described in this subsection, shall expire midnight on October 24, 2021."

2. Section 2.02, "Renewal Terms," is deleted, and the following is substituted:

"Future Optional Renewal Terms. This Agreement shall renew for two additional five year terms, unless a party provides written notice of non-renewal at least 180 days prior to the expiration of a term. If a party desires changes to provisions of the Agreement, that party shall provide written notice of the proposed changes to the other party at least 180 days prior to expiration of the current term of the Agreement. Should the parties fail to agree on proposed changes to this Agreement, the Manager shall continue to manage and operate the golf course under the existing Agreement's provisions for one year from the date of the notice of proposed changes, and then the Agreement shall automatically terminate."

3. Section 4.02, Manager's Control is amended by adding the following section:

"4.025 City may lease any portion of its golf course property to any ancillary golfing interests, but shall not enter into any agreement with any organization that would create competition with Manager for sales revenue or fees. City shall confer with Manager on proposed leases and provide 30 days for Manager to provide comments or recommendations, and in order for Manager to identify potential conflicts with golfing

operations or any other functions, such as utilities, parking, drainage, stormwater, or other site functions.

“4.026 Manager may enter into operating agreements with golfing organizations which may provide educational golfing instruction to youth or handicapped aspirational golfers. Those operating agreements shall contain a provision acknowledging that the City shall not be bound by any such agreements.”

4. Section 5.05, Maintenance and Repairs is amended by adding the following sections:

“5.055 City shall be entitled to enter the golf course property to provide any required repairs to building facilities, or to inspect or maintain any part of the City-owned building facilities. Manager shall be responsible for notifying City of any facility condition that may pose a personal safety issue, or threaten the integrity of any building envelope or structural element.”

“5.056 Manager shall make an annual inspection of facilities, and provide a condition report to City by October 30<sup>th</sup> of each fiscal year, which report shall note any necessary or recommended repairs, such as roofing repairs or replacement, that Manager deems desirable to accomplish in the following fiscal year to avoid degradation of operations or facilities’ condition, or which if not accomplished might pose a risk to safe operation of the golf course. City shall consider Manager’s recommendations for golf course facilities’ needs as part of City’s annual budget process. Before the end of the fiscal year, the City shall respond in writing to such requests, addressing the feasibility of funding each request or of using City resources to fulfill the request. City may elect to include critical repairs in its deferred maintenance process.

Nothing in this Agreement shall require City to provide funding for any operational requirement of the golf course, such as costs of utilities, supplies, repairs, or other such provisions.”

[signature page follows]

IN WITNESS WHEREOF, each party hereto has caused this Third Amendment to be executed by an authorized representative as of the date first set forth above.

ATTEST:

CITY OF DURHAM

\_\_\_\_\_  
City Clerk

By:\_\_\_\_\_  
Thomas J. Bonfield, City Manager

AMERAZIL GOLF, LLC.

By:\_\_\_\_\_  
Member Manager

NORTH CAROLINA  
COUNTY OF DURHAM

ACKNOWLEDGMENT OF CITY OF DURHAM

I  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by  
Thomas J. Bonfield, as City Manager of the City of Durham, North Carolina.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

NORTH CAROLINA  
COUNTY OF DURHAM

ACKNOWLEDGMENT BY AMERAZIL GOLF, LLC

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by Karl  
Kimball, as Manager of Amerazil Golf, LLC.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_